



ORIGINAL

EX PARTE OR LATE FILED

John S. Hannon
Vice President
Legal Affairs

22300 COMSAT Drive
Clarksburg, MD 20871
Telephone 301 428 2508
Fax 301 601 5945

DOCKET FILE COPY ORIGINAL

RECEIVED

November 9, 1994

NOV - 9 1994

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

Mr. William F. Caton
Acting Secretary
Federal Communications Commission
1919 M Street, N.W.
Room 222
Washington, D.C. 20554

Ref: Ex Parte Contact in GEN Docket No. 90-314

Dear Mr. Caton:

On Tuesday, November 8, 1994, Mr. John Hannon of COMSAT Mobile Communications, Mr. Warren Zeger of COMSAT Corporation, and Ms. Toni Cook-Bush of Skadden, Arps met with Commissioner Ness, Legal Assistant Mary McManus and Intern Donald Gales to address matters at issue in the above-referenced docket, discuss the enclosed presentation materials and answer questions thereon. The COMSAT representatives also made a "status inquiry".

Respectfully submitted,

John S. Hannon, Jr.

Attachments

cc: Mr. Len Kolsky (Motorola)
Commissioner Ness
Mary McManus, Esq.
Mr. Donald Gales

No. of Copies rec'd
List ABCDE

245

RECEIVED

COMPETITIVE GLOBAL HANDHELD SERVICES WHAT INMARSAT-P MEANS FOR THE UNITED STATES

NOV - 9 1994

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

Several major programs are underway to develop global handheld communications systems. The most recent proposal, Inmarsat-P, has been designed by Inmarsat investors who, with strategic non-Inmarsat investors, will establish a private UK company in January 1995 to offer personal global satellite communication services.

Inmarsat-P is strongly in the interest of U.S. consumers and industry, and will further long-standing U.S. policies designed to promote open and competitive markets for telecommunications goods and services. By supporting Inmarsat-P, the U.S. Administration will take a leadership role in promoting multiple global service providers, strengthening the competitive market to the benefit of all consumers, and furthering the development of telecommunication infrastructures worldwide.

PRO-COMPETITIVE, PRO-CONSUMER U.S. POLICIES

The U.S. has long championed the growth of competitive telecommunications markets at home and abroad. Critical foreign and commercial policy objectives have promoted competitive markets for low price, high quality and innovative communication products and services. Inmarsat investors have pioneered the mobile satellite industry for over 15 years and are responsible for delivering the innovative MSS services in use today. Inmarsat-P continues the trend toward smaller, lighter and increasingly spectrum efficient equipment. Inmarsat-P will push the envelope of technological innovation for competitive, cost effective communication services, and embodies the spirit of pro-competitive, pro-consumer U.S. policies.

INMARSAT-P BENEFITS U.S. INDUSTRY

U.S. companies are the dominant force in the world satellite market and are poised to reap a significant share of the \$2.6+ billion in Inmarsat-P space and ground segment contracts. Arthur D. Little conservatively estimates that Inmarsat-P will directly result in over 26,000 high-tech and high-wage jobs throughout the U.S., and an additional 70,000 jobs created by the "ripple effect" on the overall U.S. economy. New high-tech jobs are central to the Administration's Technology Policy, and Inmarsat-P will drive the defense industry conversion to civilian markets.

PRIVATE INVESTMENT OPPORTUNITIES

Competitive systems have proven that handheld mobile satellite projects can attract significant equity capital. Iridium has secured cash investments of nearly \$1.6 billion from government and private entities in over 14 countries, and Globalstar has secured commitments of more than \$275 million from investors in at least 6 countries. Investment opportunities in Inmarsat-P will be open to strategic partners in the U.S., such as spacecraft and equipment manufacturers, cellular operators and other terrestrial service providers. Moreover, Inmarsat-P will provide opportunities for developing countries to participate in this exciting communications revolution, and will promote development of the world's telecommunication infrastructures and complement the Administration's GII initiative.

COMSAT is prepared to work closely with the U.S. Administration, Inmarsat Signatories and foreign governments to champion the principles of fair and open market access for all mobile satellite service providers. A competitive market with multiple service providers is in everybody's best interest.

26 September 1994

SPACECRAFT MANUFACTURERS

Inmarsat-P:

R&D: Hughes Aircraft; Hughes Network Systems; Martin Marietta Astro; TRW

Inmarsat-3s:

Bus: Adcole (SSA); BP Chemicals (Structure); Brushwellman (Boom Assemblies); CSDL (Wheel Package Assembly); Eagle-Picher (Battery Cells); Eaton (Latching Valves); FEI (TT&C Microwave Oscillators); Hi-Shear (Cable Cutters/Pyros); Lockheed (Infra Red Sensors); Martin Marietta Astro (Prime & Bus Manufacturer); Martin Marietta (TT&C); Martin Marietta (Solar Arrays); Martin Marietta/NSA (Encryption System); OEA Pyroetics (Fill & Drain Valves); Olin Aerospace (Thrusters/Impehts); PCI (Navigation Antenna Support); PCI (Solar Array Substrates); Statham (Pressure Transducers) Teldex (Momentum Wheels).

Communications Payload (ComDev's U.S. Suppliers only): ETA (PCA IR Reflow Surface Mount); MACOM (GaAs FET Switches, Attenuators, RF Transistor Packaging); FEI (Amplifiers); Modular (PCB Manufacture); Litton (PCA Manufacture); Rogers (TMM10 Circuit Boards)

Ground TT&C: NASA (launch TT&C)

Inmarsat-2s:

Bus: Teldex (Momentum Wheels); TRW/PSI (fuel tanks); Morton Thiokol (thrusters)

Communications Payload: Hughes Aerospace (Payload Prime)

Ground TT&C: COMSAT; NASA (launch TT&C)

MCS package on Intelsat-Vs: Space Systems/Loral (formerly Ford Aerospace)

Marisats: Hughes

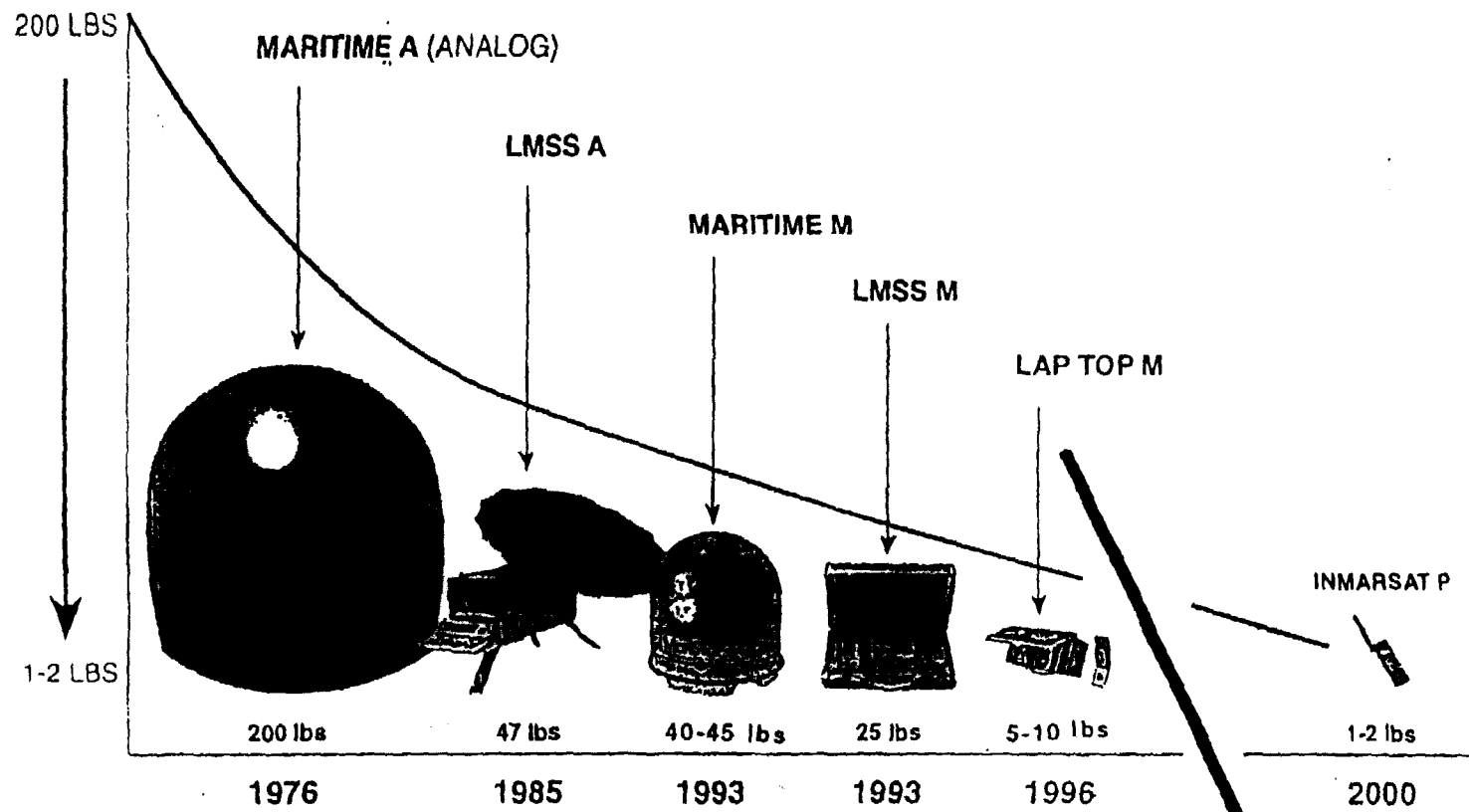
LAUNCH VEHICLE SUPPLIERS

Martin Marietta (Atlas); McDonnell Dougless (Delta); Morton Thiokol (various boosters)

TERMINAL MANUFACTURERS

Alden Electronics; Allied Signal/Global Wolfsburg; C³SAT International; E-Systems; Globesat; Glocom; Honeywell; Magnavox; Mobile Telesystems; Navcom/Magnavox; Radar Devices; Raytheon; Rockwell International; Scientific Atlanta; Sperry Marine; Trimble Navigation; Viasat; etc.

THE THEORY OF EVOLUTION



WHY DRAW THIS LINE?

Inmarsat—P

- **ICO Configuration (10 + 2)**
- **Handheld Terminals (\$1,000—\$1,500)**
- **Cost to Users (\$1—\$2/min)**
- **Maritime, Aeronautical, International Business Traveller, Others**
- **Available by Turn of Century**